

# Medical Data Report

for the state of:

# SOUTH DAKOTA



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#### Introduction

Medical costs have consistently been on the rise over the last 30 years. Today, in many states, close to 60% of workers compensation benefits are attributed to medical costs. The rising cost of medical care is the major issue facing workers compensation stakeholders now and in the foreseeable future. The availability of medical data on workers compensation claims is essential for analyses of issues such as the pricing of proposed state legislation, impacts to medical fee schedules, and research.

This publication is a data source for regulators and others who may be interested in the increasing medical costs in workers compensation claims. The information in this report provides important benchmarks against which cost containment strategies may be measured and gives valuable insight into the medical cost drivers that threaten the financial soundness of the workers compensation system.

Knowing how payments for different services contribute to workers compensation medical benefit costs provides insight into the growth of medical benefits. This report illustrates the breakdown of services by category, namely:

- Physician
- Hospital
- Ambulatory Surgical Centers
- Drugs
- Durable Medical Equipment (DME), Supplies, and Implants
- Other

Next, the report drills down into these categories to demonstrate which particular procedures represent the greatest share of payments and which are performed the most.

Additionally, this report provides detail on payments for prescription drugs including which drugs are being prescribed the most and which ones represent the greatest share of drug payments, as well as information on repackaged drugs.

One important caveat: information in this report may not coincide with an analysis of a medical fee schedule change performed in the future. An analysis of a medical fee schedule change requires evaluation of the specific procedures covered by the fee schedule, which may be different from how payments are categorized in this report.

Additional information regarding the data underlying this report is described in more detail in the appendix.

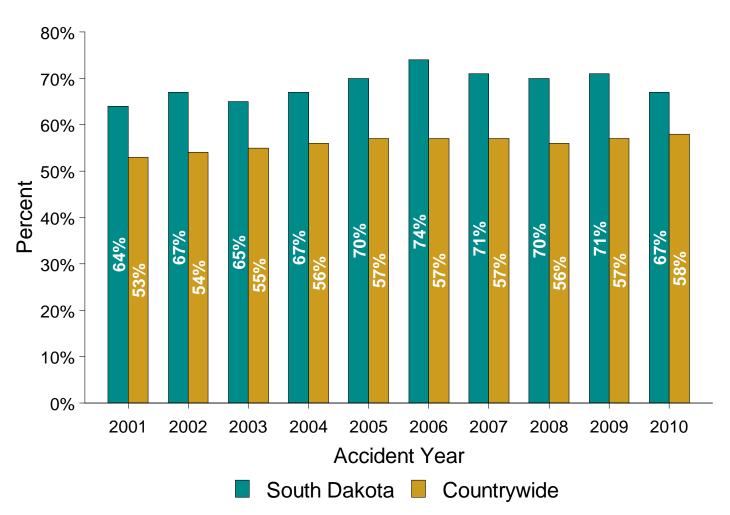
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Workers compensation provides for two types of benefit payments: medical and indemnity. Medical benefits cover medical expenses resulting from a work-related injury or disease. Medical benefits are a key cost driver for workers compensation. The share of benefits attributable to medical costs has grown. Chart 1 displays the medical percentage of total benefit costs for South Dakota and the countrywide average for the past 10 accident years.

Chart 1

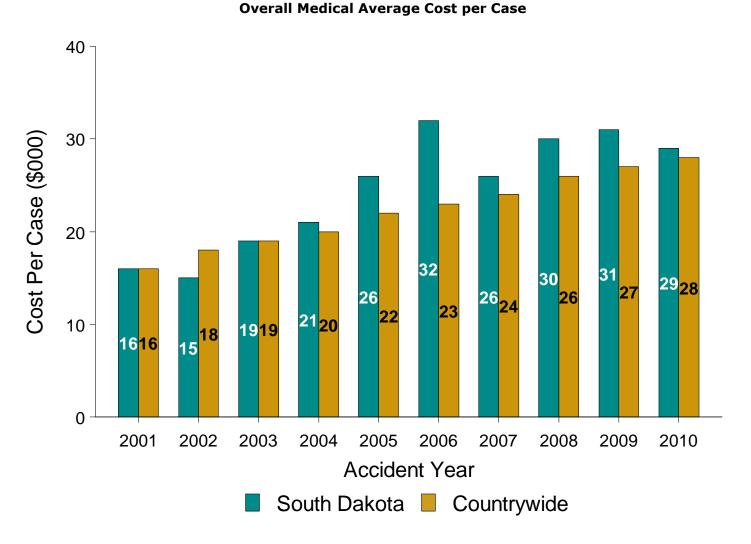
Medical Share of Total Benefit Costs



Source: NCCI Calendar-Accident Year Call for Compensation Experience. Countrywide includes data for the following states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, and VT.

Chart 2 displays the historical overall medical average cost per case (per lost-time claim) for the most recent 10 accident years. Results are displayed for both South Dakota and the countrywide average. Medical losses are at historical benefit levels and historical dollar values.

Chart 2

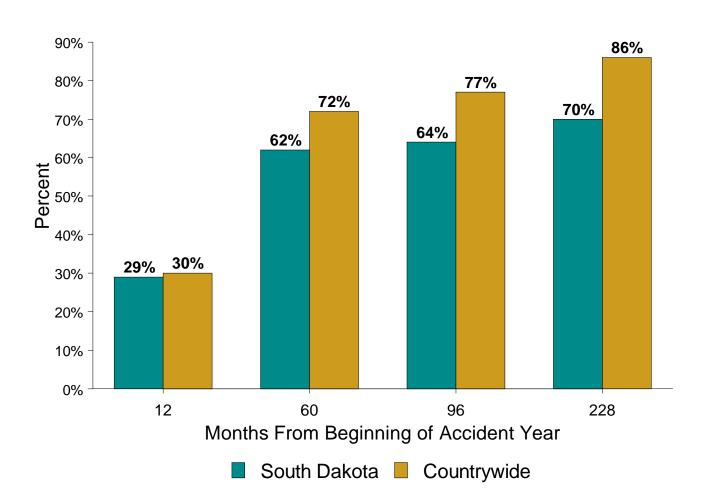


Source: NCCI Calendar-Accident Year Call for Compensation Experience. Losses and claim counts are developed to ultimate. Medical-only claim counts and losses are excluded. Countrywide includes data for the following states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, and VT.

One factor that impacts medical costs is the time over which medical services are used. Payments on a workers compensation claim often continue for many years. The payment patterns for medical services are partly determined by the dispute resolution mechanism in the state as well as statutory provisions for medical benefits. Chart 3 shows the percentage of medical benefits paid at different claim maturities for South Dakota and the countrywide average.

Chart 3

Percentage of Medical Paid by Claim Maturity

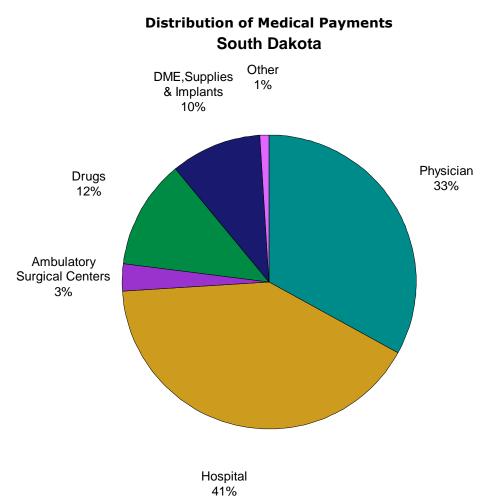


Source: NCCI Calendar-Accident Year Call for Compensation Experience. Countrywide includes data for the following states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, OK, OR, RI, SC, SD, TN, UT, VA, and VT.

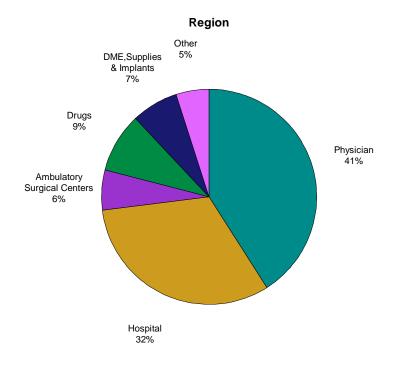
Knowing how payments for different medical services contribute to workers compensation medical benefit costs provides insight into the growth in medical benefits. Chart 4 displays the distribution of medical payments by type of service.

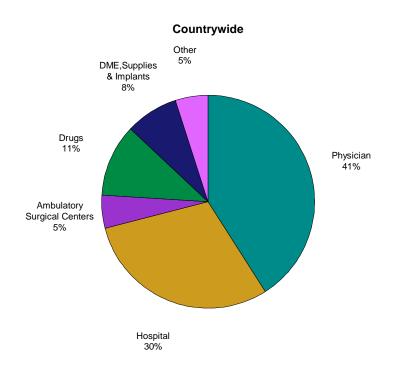
Payments are categorized as Drugs; Durable Medical Equipment (DME), Supplies, and Implants; and Other (includes home health, transportation, vision, and dental services), based on the procedure code reported. Payments are mapped to these categories regardless of who provides the service or where the service is performed. For the remaining categories—Physician, Hospital, and Ambulatory Surgical Centers—NCCI relies on a combination of procedure code, provider taxonomy code, and place of service to distinguish payment categories.

Chart 4



#### **Distribution of Medical Payments**





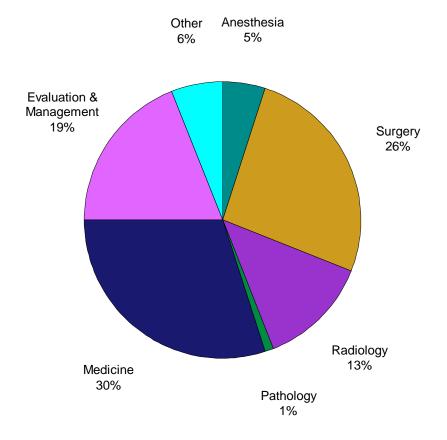
Source: NCCI Medical Data Call, Service Year 2011. Region includes CO, IA, KS, MT, and NE. Countrywide includes data for the following 35 states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, and WV.

Charts 5 through 13 go into greater detail on physician payments. Chart 5 shows the distribution of physician payments by service category. Service categories are defined by the American Medical Association (AMA). The category labeled as "Medicine" includes physical therapy and occupational therapy services. Services involving office visits and consultations are included in the "Evaluation and Management" category. "Other" includes any codes not included in the AMA service categories.

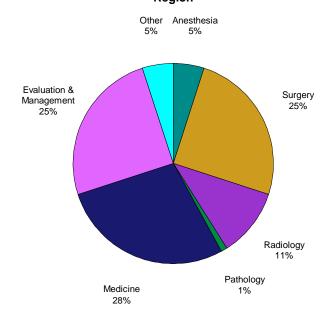
Chart 5

Distribution of Physician Payments by AMA Service Category

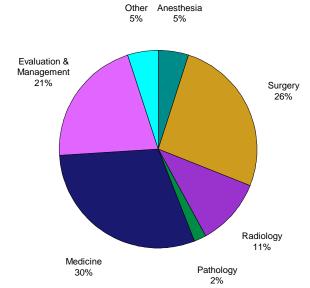
South Dakota



# Distribution of Physician Payments by AMA Service Category Region



## Countrywide

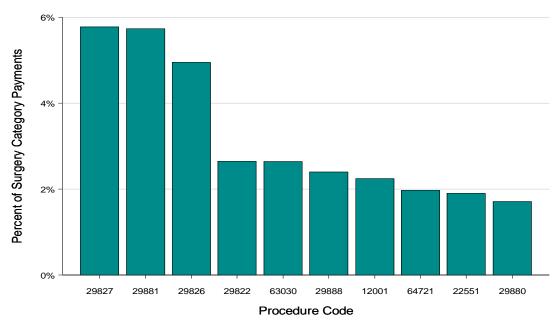


Source: NCCI Medical Data Call, Service Year 2011. Region includes CO, IA, KS, MT, and NE. Countrywide includes data for the following 35 states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, and WV.

Chart 6 displays the top 10 surgery codes reported by physicians. The total payments by procedure code are ranked from highest to lowest. The procedure code with the highest amount paid is ranked first. The procedure code with the second highest amount paid is ranked second, and so on. This method of ranking shows which procedures have the highest percent share of payments. A brief description of each procedure code is displayed in the table below.

Chart 6

Top 10 Surgery Procedure Codes by Amount Paid for South Dakota

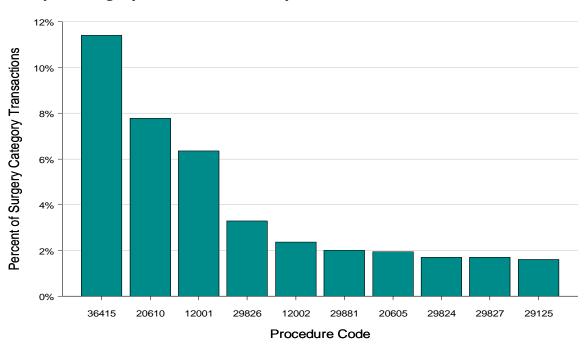


Code	Description			
29827	Arthroscopy shoulder surgical; with rotator cuff repair			
29881	Arthroscopy knee surgical; with meniscectomy (medial or lateral including any meniscal shaving) including debridement/shaving of articular cartilage			
29826	Arthroscopy shoulder surgical; decompression of subacromial space with partial acromioplasty with coracoacromial ligament (i.e., arch) release when performed			
29822	Arthroscopy shoulder surgical; debridement limited			
63030	Laminotomy (hemilaminectomy) with decompression of nerve root(s) including partial facetectomy foraminotomy and/or excision of herniated intervertebral disc			
29888	Arthroscopically aided anterior cruciate ligament repair/augmentation or reconstruction			
12001	Simple repair of superficial wounds of scalp neck axillae external genitalia trunk and/or extremities (including hands and feet); 2.5 cm or less			
64721	Neuroplasty and/or transposition; median nerve at carpal tunnel			
22551	Arthrodesis anterior interbody including disc space preparation discectomy osteophytectomy and decompression of spinal cord and/or nerve roots; cervical below C2			
29880	Arthroscopy knee surgical; with meniscectomy (medial and lateral including any meniscal shaving) including debridement/shaving of articular cartilage			

Chart 7 also displays the top 10 surgery codes reported by physicians. However, the total counts of transactions by procedure code are ranked from highest to lowest. The procedure code with the highest total transaction counts is ranked first. The procedure code with the second highest total transaction counts is ranked second, and so on. This method reveals the most frequently used procedures. A brief description of each procedure code is displayed in the table below.

Top 10 Surgery Procedure Codes by Transaction Counts for South Dakota

Chart 7

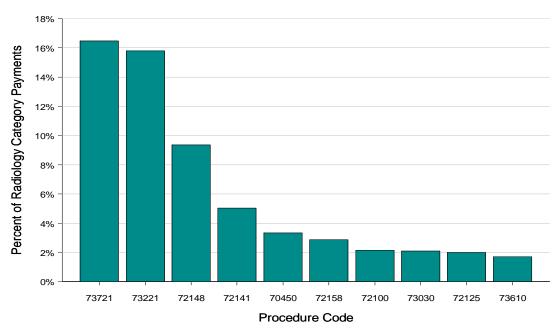


Code	Description		
36415	Collection of venous blood by venipuncture		
20610	Arthrocentesis aspiration and/or injection; major joint or bursa (e.g., shoulder hip knee joint subacromial bursa)		
12001	Simple repair of superficial wounds of scalp neck axillae external genitalia trunk and/or extremities (including hands and feet); 2.5 cm or less		
29826	Arthroscopy shoulder surgical; decompression of subacromial space with partial acromioplasty with coracoacromial ligament (i.e., arch) release when performed		
12002	Simple repair of superficial wounds of scalp neck axillae external genitalia trunk and/or extremities (including hands and feet); 2.6 cm to 7.5 cm		
29881	Arthroscopy knee surgical; with meniscectomy (medial or lateral including any meniscal shaving) including debridement/shaving of articular cartilage		
20605	Arthrocentesis aspiration and/or injection; intermediate joint or bursa (e.g., temporomandibular acromioclavicular wrist elbow or ankle olecranon bursa)		
29824	Arthroscopy shoulder surgical; distal claviculectomy including distal articular surface		
29827	Arthroscopy shoulder surgical; with rotator cuff repair		
29125	Application of short arm splint (forearm to hand); static		

Chart 8 displays the top 10 radiology codes reported by physicians. The total payments by procedure code are ranked from highest to lowest. The procedure code with the highest amount paid is ranked first. The procedure code with the second highest amount paid is ranked second, and so on. This method of ranking shows which procedures have the highest percent share of payments. A brief description of each procedure code is displayed in the table below.

Chart 8

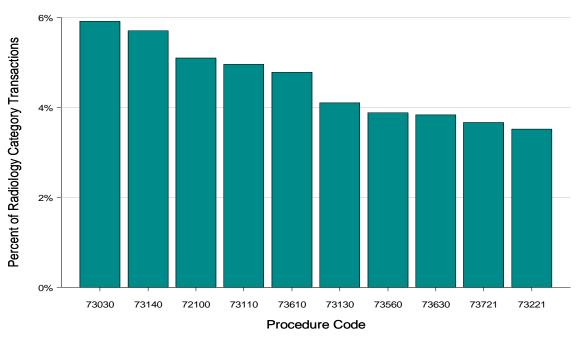
Top 10 Radiology Procedure Codes by Amount Paid for South Dakota



Code	Description			
73721	Magnetic resonance (e.g., proton) imaging any joint of lower extremity; without contrast material			
73221	Magnetic resonance (e.g., proton) imaging any joint of upper extremity; without contrast material(s)			
72148	Magnetic resonance (e.g., proton) imaging spinal canal and contents lumbar; without contrast material			
72141	Magnetic resonance (e.g., proton) imaging spinal canal and contents cervical; without contrast material			
70450	Computed tomography (CT) head or brain; without contrast material			
72158	Magnetic resonance (e.g., proton) imaging spinal canal and contents without contrast material followed			
	by contrast material(s) and further sequences			
72100	Radiologic examination spine lumbosacral; 2 or 3 views			
73030	Radiologic examination shoulder; complete minimum of 2 views			
72125	Computed tomography (CT) cervical spine; without contrast material			
73610	Radiologic examination ankle; complete minimum of 3 views			

Chart 9 also displays the top 10 radiology codes reported by physicians. However, the total counts of transactions by procedure code are ranked from highest to lowest. The procedure code with the highest total transaction counts is ranked first. The procedure code with the second highest total transaction counts is ranked second, and so on. This method reveals the most frequently used procedures. A brief description of each procedure code is displayed in the table below.

Chart 9 **Top 10 Radiology Procedure Codes by Transaction Counts for South Dakota** 

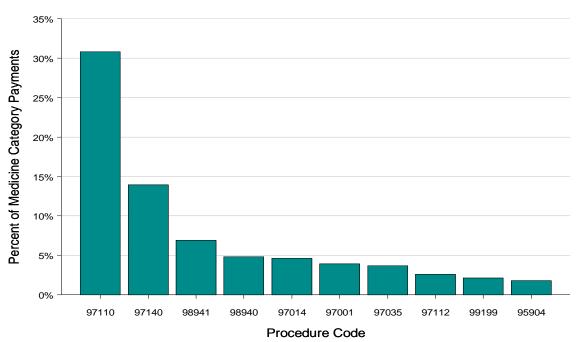


Code	Description			
73030	adiologic examination shoulder; complete minimum of 2 views			
73140	Radiologic examination finger(s) minimum of 2 views			
72100	Radiologic examination spine lumbosacral; 2 or 3 views			
73110	ladiologic examination wrist; complete minimum of 3 views			
73610	Radiologic examination ankle; complete minimum of 3 views			
73130	Radiologic examination hand; minimum of 3 views			
73560	Radiologic examination knee; 1 or 2 views			
73630	Radiologic examination foot; complete minimum of 3 views			
73721	Magnetic resonance (e.g., proton) imaging any joint of lower extremity; without contrast material			
73221	Magnetic resonance (e.g., proton) imaging any joint of upper extremity; without contrast material(s)			

Chart 10 displays the top 10 medicine codes reported by physicians. The total payments by procedure code are ranked from highest to lowest. The procedure code with the highest amount paid is ranked first. The procedure code with the second highest amount paid is ranked second, and so on. This method of ranking shows which procedures have the highest percent share of payments. A brief description of each procedure code is displayed in the table below.

Chart 10

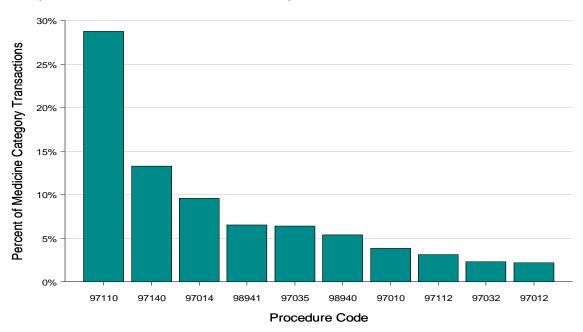
Top 10 Medicine Procedure Codes by Amount Paid for South Dakota



Code	Description		
97110	Therapeutic procedure 1 or more areas each 15 minutes; therapeutic exercises to develop strength and endurance range of motion and flexibility		
97140	Manual therapy techniques (e.g., mobilization/manipulation manual lymphatic drainage manual traction)  1 or more regions each 15 minutes		
98941	Chiropractic manipulative treatment (CMT); spinal 3-4 regions		
98940	Chiropractic manipulative treatment (CMT); spinal 1-2 regions		
97014	Application of a modality to 1 or more areas; electrical stimulation (unattended)		
97001	Physical therapy evaluation		
97035	Application of a modality to 1 or more areas; ultrasound each 15 minutes		
97112	Therapeutic procedure 1 or more areas each 15 minutes; neuromuscular reeducation of movement balance coordination kinesthetic sense posture and/or proprioception for sitting and/or standing activities		
99199	Unlisted special service procedure or report		
95904	Nerve conduction amplitude and latency/velocity study each nerve; sensory		

Chart 11 also displays the top 10 medicine codes reported by physicians. However, the total counts of transactions by procedure code are ranked from highest to lowest. The procedure code with the highest total transaction counts is ranked first. The procedure code with the second highest total transaction counts is ranked second, and so on. This method reveals the most frequently used procedures. A brief description of each procedure code is displayed in the table below.

Chart 11 **Top 10 Medicine Procedure Codes by Transaction Counts for South Dakota** 

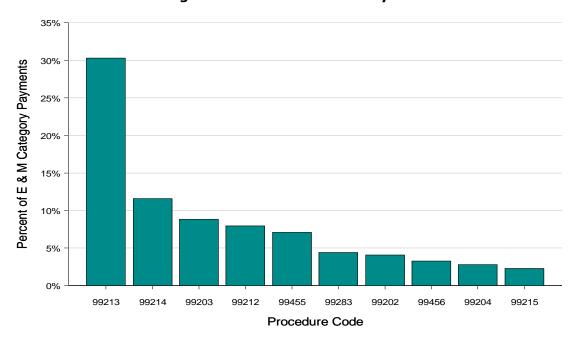


Code	Description			
97110	Therapeutic procedure 1 or more areas each 15 minutes; therapeutic exercises to develop strength and			
	endurance range of motion and flexibility			
97140	Manual therapy techniques (e.g., mobilization/manipulation manual lymphatic drainage manual			
	traction) 1 or more regions each 15 minutes			
97014	Application of a modality to 1 or more areas; electrical stimulation (unattended)			
98941	Chiropractic manipulative treatment (CMT); spinal 3-4 regions			
97035	Application of a modality to 1 or more areas; ultrasound each 15 minutes			
98940	Chiropractic manipulative treatment (CMT); spinal 1-2 regions			
97010	Application of a modality to 1 or more areas; hot or cold packs			
97112	Therapeutic procedure 1 or more areas each 15 minutes; neuromuscular reeducation of movement			
	balance coordination kinesthetic sense posture and/or proprioception for sitting and/or standing			
	activities			
97032	Application of a modality to 1 or more areas; electrical stimulation (manual) each 15 minutes			
97012	Application of a modality to 1 or more areas; traction mechanical			

Chart 12 displays the top 10 evaluation and management codes reported by physicians. The total payments by procedure code are ranked from highest to lowest. The procedure code with the highest amount paid is ranked first. The procedure code with the second highest amount paid is ranked second, and so on. This method of ranking shows which procedures have the highest percent share of payments. A brief description of each procedure code is displayed in the table below.

Chart 12

Top 10 Evaluation and Management Procedure Codes by Amount Paid for South Dakota



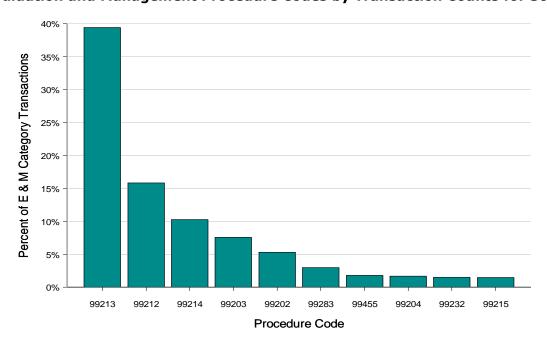
Code	Description	
99213	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are of low to moderate severity. Physicians typically spend 15 minutes face-to-face with the patient and/or family.	
99214	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are of moderate to high severity. Physicians typically spend 25 minutes face-to-face with the patient and/or family.	
99203	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of moderate severity. Physicians typically spend 30 minutes face-to-face with the patient and/or family.	
99212	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are self limited or minor. Physicians typically spend 10 minutes face-to-face with the patient and/or family.	
99455	Work related or medical disability examination by the treating physician.	
99283	Emergency department visit. Usually the presenting problem(s) are of moderate severity.	
99202	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of low to moderate severity. Physicians typically spend 20 minutes face-to-face with the patient and/or family.	
99456	Work related or medical disability examination by other than the treating physician.	

99204	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of moderate to high severity. Physicians typically spend 45 minutes face-to-face with the patient and/or family.
99215	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are of moderate to high severity. Physicians typically spend 40 minutes face-to-face with the patient and/or family.

Chart 13 displays the top 10 evaluation and management codes reported by physicians. However, the total counts of transactions by procedure code are ranked from highest to lowest. The procedure code with the highest total transaction counts is ranked first. The procedure code with the second highest total transaction counts is ranked second, and so on. This method reveals the most frequently used procedures. A brief description of each procedure code is displayed in the table below.

Chart 13

Top 10 Evaluation and Management Procedure Codes by Transaction Counts for South Dakota



Code	Description
99213	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are of low to moderate severity. Physicians typically spend 15 minutes face-to-face with the patient and/or family.
99212	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are self limited or minor. Physicians typically spend 10 minutes face-to-face with the patient and/or family.
99214	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are of moderate to high severity. Physicians typically spend 25 minutes face-to-face with the patient and/or family.
99203	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of moderate severity. Physicians typically spend 30 minutes face-to-face with the patient and/or family.
99202	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of low to moderate severity. Physicians typically spend 20 minutes face-to-face with the patient and/or family.
99283	Emergency department visit. Usually the presenting problem(s) are of moderate severity.
99455	Work related or medical disability examination by the treating physician.

99204	Office or other outpatient visit for the evaluation and management of a new patient. Usually the presenting problem(s) are of moderate to high severity. Physicians typically spend 45 minutes face-to-face with the patient and/or family.
99232	Subsequent hospital care per day for the evaluation and management of a patient. Usually the patient is responding inadequately to therapy or has developed a minor complication. Physicians typically spend 25 minutes at the bedside and on the patient's hospital floor or unit.
99215	Office or other outpatient visit for the evaluation and management of an established patient. Usually the presenting problem(s) are of moderate to high severity. Physicians typically spend 40 minutes face-to-face with the patient and/or family.

Payments attributed to facilities represent inpatient hospital services, outpatient hospital services, and ambulatory surgical center services. Payments are mapped to these categories based on a combination of data elements reported for each transaction such as the taxonomy code (identifies the provider type), procedure code (identifies what type of service was performed), and the place of service (identifies where the service was performed). Charts 14 through 17 go into greater detail on facility payments. Chart 14 displays the distribution of payments by type of facility.

Chart 14

Distribution of Payments by Facility Type

South Dakota

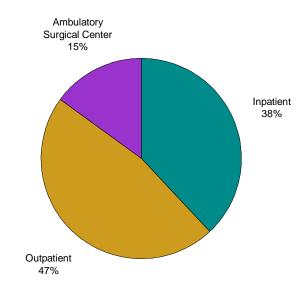
**Ambulatory** 

Surgical Center 8%

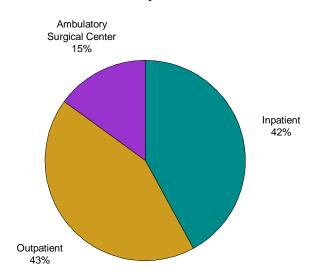
Inpatient 32%

Outpatient 60%

# **Distribution of Payments by Facility Type**Region



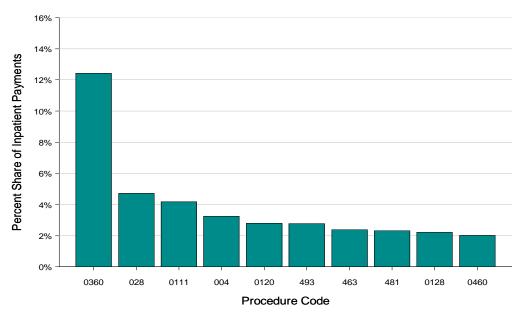
#### Countrywide



Source: NCCI Medical Data Call, Service Year 2011. Region includes CO, IA, KS, MT, and NE. Countrywide includes data for the following 35 states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, and WV.

Chart 15 displays the top 10 procedure codes for inpatient hospital services. The total payments by procedure code are ranked from highest to lowest. The procedure code with the highest amount paid is ranked first. The procedure code with the second highest amount paid is ranked second, and so on. This method of ranking shows which procedures have the highest percent share of payments. A brief description of each procedure code is displayed in the table below.

Chart 15 **Top 10 Procedure Codes by Amount Paid for Inpatient Hospital Services for South Dakota** 

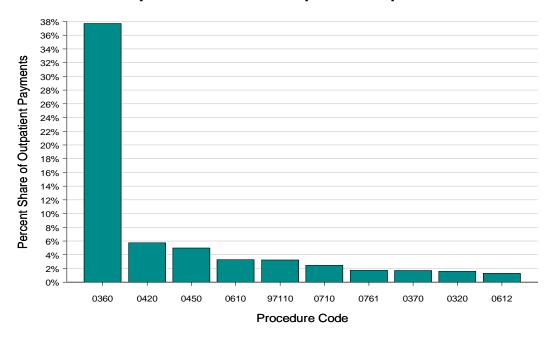


Code	Code Type	Description
0360	Revenue	Operating room services
028	DRG	Spinal procedures with major complications or comorbidities
0111	Revenue	Room & board-private (one bed) / Medical, surgical, gynecological
004	DRG	Tracheostomy with mechanical ventilation 96+ hours or principal diagnosis except face mouth and neck without major operating room
0120	Revenue	Room & board-semiprivate (two beds) / General
493	DRG	Lower extremity and humerus procedures except hip foot femur with complications or comorbidities
463	DRG	Wound debridement and skin graft except hand for musculo-connective tissue disorders with major complications or comorbidities
481	DRG	Hip and femur procedures except major joint with complications or comorbidities
0128	Revenue	Room & board-semiprivate (two beds) / Rehabilitation
0460	Revenue	Pulmonary function

Chart 16 displays the top 10 procedure codes for outpatient hospital services. The total payments by procedure code are ranked from highest to lowest. The procedure code with the highest amount paid is ranked first. The procedure code with the second highest amount paid is ranked second, and so on. This method of ranking shows which procedures have the highest percent share of payments. A brief description of each procedure code is displayed in the table below.

Chart 16

Top 10 Procedure Codes by Amount Paid for Outpatient Hospital Services for South Dakota

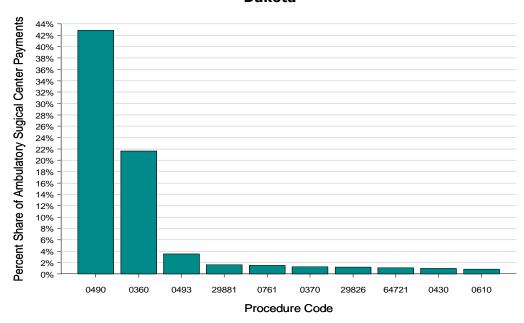


Code	Code Type	Description
0360	Revenue	Operating room services
0420	Revenue	Physical therapy
0450	Revenue	Emergency room
0610	Revenue	Magnetic Resonance Technology (MRT) / General
97110	СРТ	Therapeutic procedure 1 or more areas each 15 minutes; therapeutic exercises to develop strength and endurance range of motion and flexibility
0710	Revenue	Recovery room
0761	Revenue	Specialty services
0370	Revenue	Anesthesia
0320	Revenue	Radiology-Diagnostic
0612	Revenue	Magnetic Resonance Technology (MRT) / Spinal cord

Chart 17 displays the top 10 procedure codes for ambulatory surgical center services. The total payments by procedure code are ranked from highest to lowest. The procedure code with the highest amount paid is ranked first. The procedure code with the second highest amount paid is ranked second, and so on. This method of ranking shows which procedures have the highest percent share of payments. A brief description of each procedure code is displayed in the table below.

Top 10 Procedure Codes by Amount Paid for Ambulatory Surgical Center Services for South Dakota

Chart 17



Code	Code Type	Description
0490	Revenue	Ambulatory surgical care
0360	Revenue	Operating room services
0493	Revenue	Ambulatory surgical care / other
29881	CPT	Arthroscopy knee surgical; with meniscectomy (medial or lateral including any meniscal shaving) including debridement/shaving of articular cartilage
0761	Revenue	Specialty services
0370	Revenue	Anesthesia
29826	СРТ	Arthroscopy shoulder surgical; decompression of subacromial space with partial acromioplasty with coracoacromial ligament (i.e., arch) release when performed
64721	CPT	Neuroplasty and/or transposition; median nerve at carpal tunnel
0430	Revenue	Occupational therapy
0610	Revenue	Magnetic resonance technology (MRT)

Charts 18 through 21 go into greater detail on payments for prescription drugs reported with a national drug code (NDC). Payments are categorized as drugs if the procedure code reported on the transaction is an NDC. Payments for drugs can also be reported using procedure codes other than NDC codes, such as revenue codes, healthcare common procedure coding system (HCPCS), and other state-specific procedure codes. The results in these charts are based only on payments reported with an NDC code.

Chart 18 displays the shares of the payments of prescription medication for the top 10 workers compensation (WC) drugs. This method of ranking shows which drugs have the highest percent share of payments.

Chart 18 **Top 10 Drugs by Amount Paid for South Dakota** 

	_	Percent of Drug
Name of Drug	Туре	Payments
OXYCONTIN	Brand Name	10.3%
LYRICA	Brand Name	7.1%
LIDODERM	Brand Name	5.7%
GABAPENTIN	Generic	4.7%
CELEBREX	Brand Name	4.2%
TRAMADOL HCL	Generic	4.0%
CYMBALTA	Brand Name	3.9%
HYDROCODONE-ACETAMINOPHEN	Generic	3.6%
FENTANYL	Generic	2.5%
FENTORA	Brand Name	2.2%

Top 10 Drugs by Amount Paid for Countrywide

		Percent of Drug
Name of Drug	Type	Payments
OXYCONTIN	Brand Name	6.6%
LYRICA	<b>Brand Name</b>	4.7%
LIDODERM	Brand Name	4.4%
HYDROCODONE-ACETAMINOPHEN	Generic	4.2%
GABAPENTIN	Generic	4.1%
MELOXICAM	Generic	3.5%
CYMBALTA	Brand Name	3.4%
CELEBREX	Brand Name	3.3%
TRAMADOL HCL	Generic	2.8%
OPANA ER	Brand Name	2.3%

Source: NCCI Medical Data Call, Service Year 2011. Countrywide includes data for the following 35 states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, and WV.

Chart 19 displays the top 10 workers compensation drugs according to count of prescriptions. This chart reveals the most frequently prescribed drugs. The results in this chart are based only on payments reported with an NDC code.

Chart 19 **Top 10 Drugs by Prescription Counts for South Dakota** 

Name of Drug	Туре	Percent of Prescription Counts
HYDROCODONE-ACETAMINOPHEN	Generic	14.1%
TRAMADOL HCL	Generic	7.4%
CYCLOBENZAPRINE HCL	Generic	4.7%
GABAPENTIN	Generic	3.2%
LYRICA	Brand Name	3.0%
OXYCONTIN	Brand Name	2.8%
CELEBREX	Brand Name	2.7%
NAPROXEN	Generic	2.4%
IBUPROFEN	Generic	2.3%
OXYCODONE HCL	Generic	2.1%

**Top 10 Drugs by Prescription Counts for Countrywide** 

Name of Drug	Type	Percent of Prescription Counts
HYDROCODONE-ACETAMINOPHEN	Generic	15.3%
TRAMADOL HCL	Generic	5.0%
CYCLOBENZAPRINE HCL	Generic	4.5%
IBUPROFEN	Generic	4.2%
GABAPENTIN	Generic	3.2%
MELOXICAM	Generic	2.7%
OXYCODONE-ACETAMINOPHEN	Generic	2.6%
LYRICA	<b>Brand Name</b>	2.3%
NAPROXEN	Generic	2.2%
CARISOPRODOL	Generic	2.1%

Source: NCCI Medical Data Call, Service Year 2011. Countrywide includes data for the following 35 states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, and WV.

Chart 20 shows the distribution of prescription drugs by brand name and generics. The share between brand name and generics is displayed based on both prescription counts and payments. The results in this chart are based only on transactions reported with an NDC code.

Chart 20

Distribution of Drugs by Brand Name and Generic



Source: NCCI Medical Data Call, Service Year 2011. Countrywide includes data for the following 35 states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, and WV.

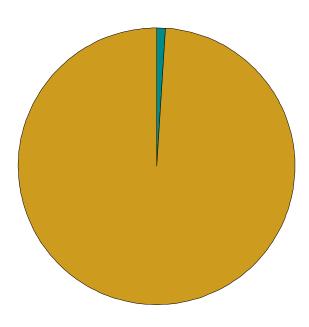
Drugs are uniquely identified by a National Drug Code (NDC). NDCs are specific not only to the product (including strength and formulation) and package size but also to the labeler. Labelers are manufacturers, repackagers, and distributors.

Workers compensation (WC) drug fee schedules are typically based on Average Wholesale Price (AWP). Because each NDC comes with a unique AWP, any firm that repackages a drug can set both a new NDC and a new, possibly artificially inflated, AWP. As a result, WC costs for repackaged drugs have grown out of proportion to the number of prescriptions written for repackaged drugs. Some states have introduced limits on reimbursements for repackaged drugs. Chart 21 shows the distribution of payments for repackaged and non-repackaged drugs. The results in this chart are based only on payments reported with an NDC code.

Chart 21

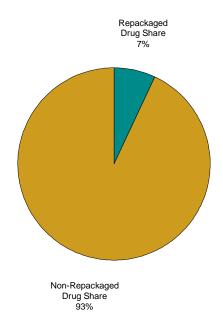
# Distribution of Drug Payments South Dakota

Repackaged Drug Share 1%

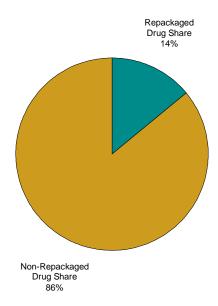


Non-Repackaged Drug Share 99%

# Distribution of Drug Payments Region



#### Countrywide



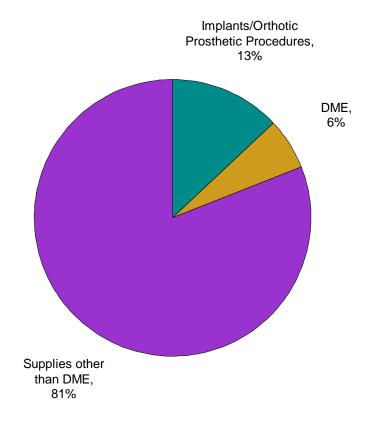
Source: NCCI Medical Data Call, Service Year 2011. Region includes CO, IA, KS, MT, and NE. Countrywide includes data for the following 35 states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, and WV.

Chart 22 displays the distribution of payments separately by durable medical equipment (DME); Supplies other than DME; and Implants/Orthotic and Prosthetic Procedures. Payments are mapped to each of these categories based on the procedure code reported regardless of who provides the service or where the service is performed. The source for the mapping of procedure code to each category is the AMA.

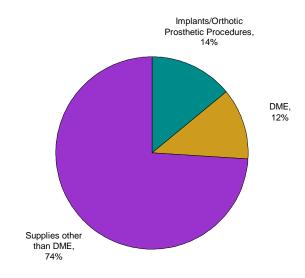
Chart 22

Distribution of Payments by DME, Supplies, and Implants

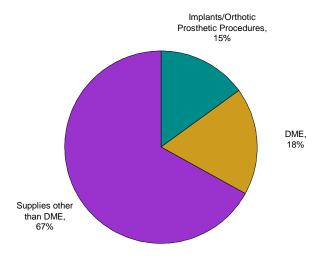
South Dakota



# Distribution of Payments by DME, Supplies, and Implants Region



#### Countrywide



Source: NCCI Medical Data Call, Service Year 2011. Region includes CO, IA, KS, MT, and NE. Countrywide includes data for the following 35 states: AK, AL, AR, AZ, CO, CT, DC, FL, GA, HI, IA, ID, IL, KS, KY, LA, MD, ME, MO, MS, MT, NE, NH, NM, NV, OK, OR, RI, SC, SD, TN, UT, VA, VT, and WV.

#### Glossary

**Accident Year:** A loss accounting definition in which experience is summarized by the calendar year in which an accident occurred.

**Ambulatory Payment Classification (APC):** Unit of payment under Medicare's Outpatient Prospective Payment System (OPPS) for hospital outpatient services where individual services are grouped based on similar characteristics and similar costs.

**Ambulatory Surgical Center (ASC):** A state-licensed facility that is used mainly to perform outpatient surgery, has a staff of physicians, has continuous physician and nursing care, and does not provide for overnight stays. An ambulatory surgical center can bill for facility fees much like a hospital, but generally has a separate fee schedule.

**Current Procedure Terminology (CPT):** A numeric coding system maintained by the American Medical Association (AMA). The CPT coding system consists of 5 digit codes that are primarily used to identify medical services and procedures performed by physicians and other healthcare professionals.

**Diagnosis Related Groups (DRG):** A system of hospital payment classification which groups patients with similar clinical problems that are expected to require similar amounts of hospital resources.

**Drugs:** Includes any data reported by a National Drug Code (NDC). Also included are data for revenue codes, Healthcare Common Procedure Code System (HCPCS), and other state-specific codes that represent drugs.

**Durable Medical Equipment (DME):** Equipment that is primarily and customarily used to serve a medical purpose, can withstand repeated use, could normally be rented and used by successive patients, is appropriate for use in the home, and not generally useful to a person in the absence of an illness or injury.

**Inpatient Hospital Service:** Services for a patient who is admitted to a hospital for treatment that requires at least one overnight stay (more than 24 hours in a hospital).

**Medical Data Call:** Captures transaction level detail for medical billings that were processed on or after July 1, 2010. All medical transactions with the jurisdiction state in any applicable Medical Data Call state are reportable. This includes all workers compensation claims, including medical-only claims.

**Outpatient Hospital Service:** Any type of medical or surgical care performed at a hospital that is not expected to result in an overnight hospital stay (less than 24 hours in a hospital).

**Revenue Code:** A numeric coding system used in hospital billings that provides broad classifications of the type of service that was provided. Some examples are emergency room, operating room, recovery room, room and board, supplies, etc.

**Service Year:** A loss accounting definition in which experience is summarized by the calendar year in which the medical service was provided.

Transaction: A line item of a medical bill.

#### **APPENDIX**

The data contained in this report represents medical transactions for Service Year 2011 (medical services delivered from January 1, 2011 to December 31, 2011). Insurance carriers must report paid medical transactions if they write at least 1% of the market share in any one state for which NCCI is the advisory organization. Once a carrier meets the eligibility criteria, the carrier will be required to report for all applicable states in which it writes, even if an individual state's market share is below the threshold. All carriers within a group are required to report, regardless if they write less than 1% of the market share in the state.

The data is reported under the jurisdiction state; this is the state under whose Workers Compensation Act the claimant's benefits are being paid. Medical transactions must continue to be reported until the transactions no longer occur (i.e., the claim is closed) or 30 years from the accident date. There are nearly 30 data elements reported.

Wherever possible, standard industry codes are used because they provide a clear definition of the data, increase efficiency of computer systems, and improve the accuracy and quality of the data.

Carriers differ in their handling of medical data reporting. Some carriers retain all medical claims handling internally and submit the data themselves. Others use business partners for various aspects of medical claim handling, such as third party administrators, medical bill review vendors, etc. It is possible for a carrier to authorize its vendor to report the data on its behalf. Some carriers may use a combination of direct reporting and using vendors. Although data may have been provided by an authorized vendor on behalf of a carrier, the quality, timeliness, and completeness of the data is the responsibility of the carrier.

Before a medical data provider can send files, each submitter's electronic data file must pass certification testing. This ensures that all connections, data files, and systems are functioning and processing correctly. Each medical data provider within a reporting group is required to pass certification testing. If a medical data provider reports data for more than one reporting group, that data must be certified for each group.

For more information about the Medical Data Call, please refer to the **Medical Data Call Reporting Guidebook** on **ncci.com**.

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